

September 15, 2004

David Ikari, Branch Chief  
Dairy Marketing  
California Department of Food and Agriculture  
1220 N Street  
Sacramento, Ca. 95814

RE: Land O' Lakes Petition

Dear Mr. Ikari,

The California Dairy Campaign is requesting that the department not grant a hearing petitioned for by Land O' Lakes.

The CDC feels the last whey cost study over stated the cost of producing whey by a huge amount. The large discrepancy between the whey cost and nonfat dry milk cost is highly unusual furthermore the large gap between the minimum and maximum range per costing category is to great. Using the lowest cost per category the theoretical lowest cost would be around \$0.14 substantially less then the weighted average. Until another whey cost study is completed to verify the whey cost data no hearing should be granted.

Sincerely,

A handwritten signature in cursive script, appearing to read "Xavier Avila".

Xavier Avila, President  
California Dairy Campaign